

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA**

IN RE: BDC Group, Inc., Debtor-in-Possession.	Chapter 11 Bankruptcy No. 23-00484 CONSENT ORDER LIFTING STAY AND ESTABLISHING ADEQUATE PROTECTION
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The matters before the Court are the Motions for Relief from the Automatic Stay and for Adequate Protection (Doc. Nos. 149 and 150), (the “Motions”) filed by Manchester Leasing Services, Inc. (“MLS”) and related documents.¹ The Court finds that the parties have stipulated to a resolution and settlement of said Motions pursuant to Rule 4001(d) and L.R. 4001-1(a) and that such stipulation should be approved upon the terms and conditions as here-in-after set forth:

IT IS THEREFORE ORDERED:

1. The automatic stay with regard to MLS’s collateral located in Virginia as identified herein is lifted. MLS will sell the collateral identified below and the sale proceeds thereof will be applied first to MLS’s outstanding purchase money debt secured by the collateral sold and any remaining proceeds, if any, shall be paid to the Debtor-in-Possession’s attorneys to be held in trust pending the parties’ resolution of the application of such residual proceeds. None of the parties will be deemed to waive any interest or claim to the residual proceeds as a result of the turnover of such funds under this Order.

MLS Collateral (Finance Lease) located in Virginia:

2018 Felling Ft-40 Trailer (VIN5FTCF3727J1002169)- Titled Vehicle (EMA Inventory Report, Item #1)

1. Other related documents include the Unsecured Creditors Committee Objection, (Doc.167) and the Debtor-in-Possession’s Objection (Doc. 168).

2. In addition to the MLS Collateral identified in Paragraph 1 of this Order, the automatic stay with regard to certain equipment (as identified below) located in Virginia that the Debtor-in-Possession leases from MLS pursuant to a “True Lease” that is the property of MLS is also hereby lifted. MLS is authorized to recover and hold the equipment identified below, and sell it once the leases are rejected. The Debtor-in-Possession will, by separate filing, reject the lease with MLS pertaining to the leased equipment, and MLS will sell the property and shall apply the proceeds to the Debtor-in-Possession’s obligations under the lease agreement identified, with the balance of funds, if any, applied to any other outstanding lease obligations owed by the Debtor-in-Possession to MLS.

MLS Leased Equipment in Virginia (True Lease)

Lease Account #XXXX1459/POC#38

2018 Ditch Witch JT25 drill (Serial Number DWPJT25XLJ0000707)
(EMA Inventory Report, Item #19)

2019 Ditch Witch FM13X Mud Mixing Unit & 1,000 gal tank (Serial Number DWPFM13VLH0003485) (EMA Inventory Report, Item #4)

Commander 7 Controller (Serial Number 8401314)

Lease Account #XXXX1460/POC#39

2019 Ditch Witch FM13X Mud Mixing Unit & 1,000 gal tank (Serial Number DWPFM13XCK0000809) (EMA Inventory Report, Item #9- Serial Number has error on EMA report)

2019 Ditch Witch FM13V Mud Mixing Unit & 1,000 gal tank (Serial Number DWPFM13XHK0000810) (EMA Inventory Report, Item #10)

3. The sale of MLS’s Collateral (Finance Lease) and Leased Equipment (True Leases) as provided for in this order shall be conducted by MLS in a commercially reasonable manner.
4. Within fourteen (14) days after the completion of a sale, MLS shall file with the Court a report of sale which sets forth the gross proceeds received, any expenses or costs paid from the sale, the application of net proceeds to MLS’s claims, and the disposition of any residual proceeds exceeding the amount of MLS’s claims.

5. As Adequate Protection for MLS's remaining collateral, the Debtor-in-Possession will begin making monthly payments of **\$1,375.47** to MLS, commencing September 15, 2023, and continuing on the same day of each month thereafter until the effective date of a confirmed plan or until such claims are paid in full, whichever is sooner. The adequate protection payments will be applied by MLS to the balance owed to it under Finance Lease account #XXXX3092 (POC#55) The monthly payments shall be mailed to MLS at:

Manchester Leasing Services, Inc.
18173 Edison Ave Unit G
Chesterfield, MO 63005

6. The Debtor-in-Possession shall maintain insurance coverage on all of MLS's remaining collateral and/or leased vehicles, trailers and equipment, in an amount not less than the value of the such collateral and/or leased vehicle, trailer and equipment, and the Debtor shall within ten (10) days after entry of this Order, verify that any loss proceeds payable on MLS's collateral and/or leased vehicles, trailers and equipment will be jointly payable to MLS as a secured lienholder and/or owner and as Loss Payee.
7. If the Debtor-in-Possession defaults in performance of any term of this Stipulation, MLS may send a ten (10) day written notice of default to the Debtor-in-Possession and its counsel, with a copy to counsel for Keystone, the Committee, and the U.S. Trustee. If the Debtor-in-Possession does not cure said default within ten (10) days of such written notice, the automatic stay shall be lifted with respect to all of MLS's remaining collateral and/or leased vehicles, trailers and equipment upon the filing, by MLS, of an affidavit attesting the Debtor-in-Possession is in default and that the required notice has been provided by MLS. Notwithstanding the foregoing, during the ten-day notice period any party-in-interest may file a motion with the Court seeking a determination that such a default has not occurred. If such a motion is timely filed, the automatic stay shall not be lifted unless and until the Court enters an order lifting the stay.
8. All parties' rights are reserved, including disputing the scope of MLS's prepetition security interests, collateral valuation, and status as oversecured or undersecured.
9. This Order shall be effective immediately upon entry and the 14-day stay period, provided for in Bankruptcy Rule 4001(a)(3) shall not apply.

10. The Motions are removed from the 11:30 A.M. Friday, September 8, hearing calendar.

Dated and Entered:

September 7, 2023



Thad J. Collins
Chief Bankruptcy Judge

Agreed to Form and Content:

/s/ Terry L. Gibson

Terry L. Gibson, Counsel to Manchester Leasing Services, Inc.

/s/ Elizabeth Janczak

Elizabeth Janczak, Counsel for the Unsecured Creditors Committee

/s/ Austin Peiffer

Austin J. Peiffer, Ag & Business Legal Strategies,
Counsel to the Debtor-in-Possession.